

SENATE BILL 757

G1

11r1395

By: **Senators Kittleman and Raskin**

Introduced and read first time: February 4, 2011

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable

Senate action: Adopted

Read second time: March 28, 2011

CHAPTER _____

1 AN ACT concerning

2 **Election Law – Electronic Media – Electronic Contributions and**
3 **Expenditures**

4 FOR the purpose of repealing certain requirements that a campaign finance entity
5 make a disbursement only by check; requiring a campaign finance entity to
6 make a disbursement by certain methods; requiring an electronic method of
7 making a disbursement that the State Board of Elections authorizes by
8 regulation to satisfy certain requirements; repealing a requirement that a
9 contribution in excess of a certain amount be made only by check or credit card;
10 requiring that a contribution be made by certain methods; requiring an
11 electronic method of making a contribution that the State Board authorizes by
12 regulation to satisfy certain requirements; requiring the State Board to adopt
13 regulations governing the application of certain disclosure and retention
14 requirements to campaign material transmitted through electronic media;
15 requiring the regulations adopted by the State Board to satisfy certain
16 requirements; authorizing the regulations adopted by the State Board to modify
17 certain statutory requirements as they relate to electronic media as necessary to
18 accommodate particular technologies; and generally relating to conforming
19 election law to electronic methods of disseminating campaign material and
20 electronic methods of making contributions and expenditures.

21 BY repealing and reenacting, without amendments,
22 Article – Election Law
23 Section 1–101(k), 13–401, and 13–403
24 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (2010 Replacement Volume)

2 BY repealing and reenacting, with amendments,
3 Article – Election Law
4 Section 13–220 and 13–226(b)
5 Annotated Code of Maryland
6 (2010 Replacement Volume)

7 BY adding to
8 Article – Election Law
9 Section 13–234 and 13–404
10 Annotated Code of Maryland
11 (2010 Replacement Volume)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article – Election Law**

15 1–101.

16 (k) (1) “Campaign material” means any material that:

17 (i) contains text, graphics, or other images;

18 (ii) relates to a candidate, a prospective candidate, or the
19 approval or rejection of a question; and

20 (iii) is published or distributed.

21 (2) “Campaign material” includes:

22 (i) material transmitted by or appearing on the Internet or
23 other electronic medium; and

24 (ii) an oral commercial campaign advertisement.

25 13–220.

26 (a) (1) Each campaign finance entity shall designate one or more
27 campaign accounts.

28 (2) Each designated campaign account shall:

29 (i) be in a financial institution; and

1 (ii) be registered in a manner that identifies it as the account of
2 a campaign finance entity.

3 (3) A campaign finance entity shall deposit all funds received in a
4 designated campaign account.

5 (b) (1) Subject to paragraph (2) of this subsection and subsection (c) of this
6 section, a campaign finance entity may not directly or indirectly make a disbursement
7 except [by check] from a campaign account designated under subsection (a) of this
8 section.

9 (2) A campaign finance entity, or a person authorized by the campaign
10 finance entity, may pay an expense of the campaign finance entity from funds other
11 than a campaign account if:

12 (i) the expense is supported by a receipt that is provided to the
13 campaign finance entity; and

14 (ii) the campaign finance entity reimburses the person who paid
15 the expense [by check] from the campaign account and reports the expense as an
16 expenditure of the campaign finance entity in accordance with Subtitle 3 of this title.

17 (c) (1) A campaign finance entity may maintain a petty cash fund.

18 (2) The campaign finance entity shall maintain a separate account
19 book for the petty cash fund.

20 (3) The petty cash fund:

21 (i) may not exceed \$250 at any time; and

22 (ii) may be replenished only by check from a campaign account
23 designated under subsection (a) of this section.

24 (4) Not more than \$25 may be disbursed from the petty cash fund in a
25 primary or general election to a single recipient.

26 (5) Each petty cash expenditure shall be supported by a receipt and
27 reported by category on the appropriate campaign finance report.

28 (6) This subsection does not authorize an expenditure that otherwise
29 is unlawful under this article.

30 **(D) (1) A CAMPAIGN FINANCE ENTITY MAY MAKE A DISBURSEMENT**
31 **ONLY BY:**

1 **(I) CHECK; OR**

2 **(II) AN ELECTRONIC METHOD THAT THE STATE BOARD**
3 **AUTHORIZES BY REGULATION.**

4 **(2) AN ELECTRONIC METHOD OF MAKING A DISBURSEMENT THAT**
5 **THE STATE BOARD AUTHORIZES UNDER THIS SUBSECTION SHALL ENSURE**
6 **THAT:**

7 **(I) THE IDENTITY OF THE PERSON MAKING THE**
8 **DISBURSEMENT MAY BE VERIFIED;**

9 **(II) THE TRANSACTION IS SECURE; AND**

10 **(III) THERE IS AN ADEQUATE RECORD OF THE TRANSACTION.**

11 13-226.

12 (b) Subject to subsection (c) of this section, a person may not, either directly
13 or indirectly, in an election cycle make[:

14 (1)] aggregate contributions in excess of:

15 [(i)](1) \$4,000 to any one campaign finance entity; or

16 [(ii)](2) \$10,000 to all campaign finance entities]; or

17 (2) a contribution of money in excess of \$100 except by check or credit
18 card].

19 13-234.

20 **(A) A CONTRIBUTION OF MONEY MAY BE MADE ONLY BY:**

21 **(1) CHECK;**

22 **(2) CREDIT CARD;**

23 **(3) CASH, IF THE CONTRIBUTION DOES NOT EXCEED \$100; OR**

24 **(4) AN ELECTRONIC METHOD THAT THE STATE BOARD**
25 **AUTHORIZES BY REGULATION.**

1 **(B) AN ELECTRONIC METHOD OF MAKING A CONTRIBUTION THAT THE**
2 **STATE BOARD AUTHORIZES UNDER THIS SECTION SHALL ENSURE THAT:**

3 **(1) THE IDENTITY OF THE PERSON MAKING THE CONTRIBUTION**
4 **MAY BE VERIFIED;**

5 **(2) THE TRANSACTION IS SECURE; AND**

6 **(3) THERE IS AN ADEQUATE RECORD OF THE TRANSACTION.**

7 13-401.

8 (a) (1) Except as otherwise provided in this section, each item of
9 campaign material shall contain, set apart from any other message, an authority line
10 that states:

11 (i) as to campaign material published or distributed by a
12 campaign finance entity:

13 1. the name and address of the treasurer of each
14 campaign finance entity responsible for the campaign material; and

15 2. as to each treasurer named under item 1 of this item,
16 the name of each campaign finance entity for which the treasurer is acting; and

17 (ii) as to campaign material published or distributed by any
18 other person, the name and address of the person responsible for the campaign
19 material.

20 (2) The authority line may omit an address that is on file with the
21 State Board or a local board.

22 (3) If the campaign material is too small to include all the information
23 specified in paragraph (1) of this subsection in a legible manner, the authority line
24 need only contain the name and title of the treasurer or other person responsible for it.

25 (4) The authority line for campaign material that is a commercial
26 advertisement need only contain the information specified in paragraphs (1) and (2) of
27 this subsection for one campaign finance entity or other person responsible for the
28 advertisement.

29 (b) Campaign material that is published or distributed in support of or in
30 opposition to a candidate, but is not authorized by the candidate, shall include the
31 following statement:

1 “**This message has been authorized and paid for by (name of payor or any**
2 **organization affiliated with the payor), (name and title of treasurer or president). This**
3 **message has not been authorized or approved by any candidate.**”

4 **13–403.**

5 (a) (1) **Subject to paragraph (2) of this subsection, each campaign finance**
6 **entity responsible for, publisher of, and distributor of, an item of campaign material**
7 **shall keep a sample copy of the item for at least 1 year after the general election next**
8 **following the date when the item was published or distributed.**

9 (2) **For each item of campaign material disseminated through the**
10 **Internet, the sample copy shall be:**

11 (i) **a paper facsimile; or**

12 (ii) **a copy on an electronic medium that can be produced as a**
13 **paper facsimile on request.**

14 (b) **Subsection (a) of this section does not apply to a billboard or a sign.**

15 **13–404.**

16 **(A) IN THIS SECTION, “ELECTRONIC MEDIA” MEANS ANY ELECTRONIC**
17 **MEDIUM, EXCEPT TELEVISION OR RADIO, THAT MAY BE USED TO TRANSMIT**
18 **CAMPAIGN MATERIAL.**

19 **(B) THE STATE BOARD SHALL ADOPT REGULATIONS GOVERNING THE**
20 **APPLICATION OF §§ 13–401 AND 13–403 OF THIS SUBTITLE TO CAMPAIGN**
21 **MATERIAL TRANSMITTED THROUGH ELECTRONIC MEDIA.**

22 **(C) THE REGULATIONS ADOPTED BY THE STATE BOARD UNDER THIS**
23 **SECTION:**

24 **(1) SHALL DEFINE WHAT CONSTITUTES “PUBLICATION” OR**
25 **“DISTRIBUTION” OF CAMPAIGN MATERIAL THROUGH ELECTRONIC MEDIA**
26 **UNDER § 1–101(K) OF THIS ARTICLE;**

27 **(2) SHALL REQUIRE PUBLIC DISCLOSURE OF THE IDENTITY OF**
28 **PERSONS WHO ARE RESPONSIBLE FOR TRANSMITTING CAMPAIGN MATERIAL**
29 **THROUGH ELECTRONIC MEDIA; AND**

30 **(3) MAY MODIFY THE REQUIREMENTS OF §§ 13–401 AND 13–403**
31 **OF THIS SUBTITLE AS THEY APPLY TO ELECTRONIC MEDIA TO THE EXTENT**
32 **NECESSARY TO ACCOMMODATE A PARTICULAR TECHNOLOGY.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2011.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.